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Annual report of the Administrator

Cumulative review of the strategic plan and annual report of the Administrator for 2016

Summary

This report presents Member States with an overview of progress achieved during the first three years of implementation of the UNDP strategic plan, 2014-2017.

Elements of a decision

The Executive Board may wish to take note of the cumulative review of the third year of implementation of the strategic plan, 2014-2017.

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I. Introduction

1. The 2016 annual report provides an overview of development and organizational results achieved by UNDP at the three-year implementation mark of the strategic plan, 2014-2017.

2. The external environment is different today than it was when the strategic plan was adopted in September 2013. The organization has had to respond to significant changes, including a shift to a sustainable development goals focus requiring a more integrated, cross-sectoral programming approach; the adoption of a series of new intergovernmental agreements in key institutional areas of work, setting out new Member States commitments and priorities; a more costly, complex and protracted humanitarian burden, demanding longer-term, integrated responses beyond stop-gap emergency relief; and the emergence or acceleration of challenges whose scope was not foreseen when the current strategic plan was drafted.

3. In 2016, UNDP received $4.9 billion in total contributions, 8.5 per cent higher than in 2015. However, the funding composition underpinning the strategic plan has changed over the past three years: the share of regular resources declined from 19 per cent in 2013 to 13 per cent in 2016, while other resources – such as bilateral, multilateral and government cost-sharing contributions – remained steady or increased.

4. The strategic plan, 2014-2017, provided UNDP with a dynamic implementation framework capable of accommodating programmatic and institutional recalibrations in response to changing circumstances and country priorities. The 2016 results highlight the following:

(a) The UNDP vision for 2014-2017 positioned country offices to support implementation of the sustainable development goals in 2016. While 'business-as-usual' will not be an option for the coming years, the country-level offer provides good pointers for areas of comparative strength that can carry over into the next planning period.

(b) There is a strong offer emerging in response to complex new challenges, such as helping countries deal with the increasing effects of climate change and preventing the spread of violent extremism.

(c) Strong results performance in emergency development and early recovery highlight the UNDP added value in humanitarian contexts, especially in protracted crisis settings. Lower-than-projected contributions suggest, however, that UNDP needs to better define its distinct service offer in this area.

(d) Lower-than-projected funding was among the reasons for the downward adjustment of milestones at the midterm review. The unstable funding environment will continue to be a challenge, requiring further investment in strategic pipeline management, diversification of funding sources, and the adoption of a more differentiated business model. It will be important to strengthen the relationship between the level of results ambition and required funding, including a more precise understanding of the implication of funding gaps.

5. UNDP remains committed to meeting the final four-year targets of the strategic plan while starting to prepare for the transition to a new planning period.

II. Summary of performance

Box 1: Development progress in numbers

Sustainable development pathways

- 24.7 million people (51 per cent women) benefited from improved livelihoods initiatives in 119 countries, including economic transformation, natural resource management and early recovery[1].
- Over two million new jobs (36 per cent for women) were created in 98 countries.

[1] Summarizes results across relevant indicators without double counting (annex 2).

- 35 countries developed action plans to address unfinished Millennium Development Goals work and transition to the sustainable development goals.
- 94 countries implemented measures towards low-emission and climate-resilient development.

Inclusive and effective democratic governance

- Nearly 75 million new voters registered in 40 countries. Over 3.2 million people (51 per cent women) in 35 countries gained access to legal aid services.
- Two million people in 22 countries received antiretroviral treatment.
- 27.6 million people took part in HIV-related behavioural change communication initiatives in 24 countries.

Resilience-building

- 1,239 disaster reduction and adaptation plans were put into place at national and subnational levels in 58 countries.
- 38 countries adopted enforceable laws or regulations to address disaster and climate risks.
- More than 5.3 million people had improved access to energy in 50 countries.
- 240 end-to-end early warning systems were established in 30 countries at all levels of government and community.
- 481 plans and programmes informed by multi-hazard national and subnational disaster and climate risk assessments in 36 countries.

6. The following findings emerge for UNDP development performance in 2016:

(a) **In 2016, development performance was solid, but slightly below the rate achieved in 2015.**

(i) In 2016, 22 outputs (out of 38) scored a green rating (100 per cent, or above their annual milestones); 16 outputs were marked amber (above 60 per cent), and no outputs were rated red (below 59 per cent).

(ii) The number of outputs that missed their annual milestones increased from seven in 2015 to 16 in 2016. The performance gap in the majority of cases, however, was minimal. Of the 16 outputs short of their 2016 milestones, 13 missed their annual milestones by 5 per cent or less, and three recorded a 10-14 per cent gap.

(iii) A high percentage of countries worked in an output area that met or exceeded the 2016 milestones.

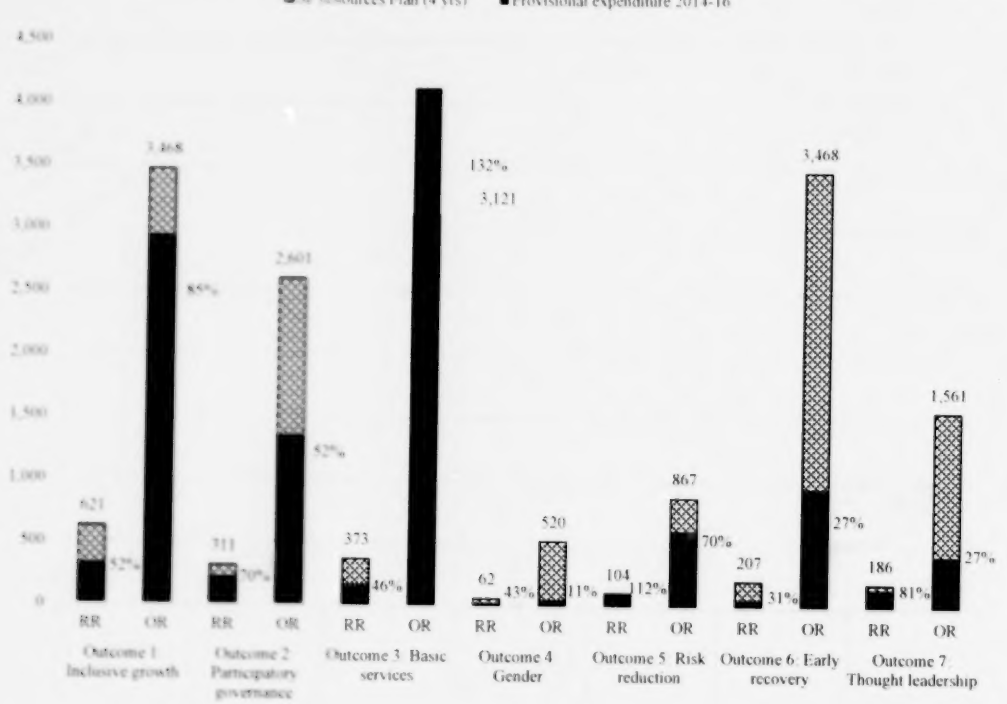
(b) **Gender performance remained strong with an increased uptake in reporting of gender results across almost all outcomes.**

(i) A hundred and thirty-eight country offices reported gender equality results in 2016. Reporting increased in all outcomes except outcome 1 – which nevertheless continued to be the largest area under which country offices reported gender equality results – followed by outcomes 2 and 3.

(ii) Outcome 4 continued to perform well in 2016, with three of its four outputs meeting or exceeding 2016 milestones. Only output 4.2 missed its milestone by 5 percentage points. Output 5.3 exceeded its 2016 milestone by 11 percentage points.

(iii) When looking at the performance of sex-disaggregated indicators across all outcomes, indictors in five output areas flagged higher results for women against aggregate milestones, markedly so for output 6.1 and somewhat less in eight other cases.

Figure 1. 2014-2016 provisional programme expenditure against planned resources 2014-2017 (in millions of dollars)



Legend: SP = strategic plan; RR = regular resources; OR = other resources

(c) **Expenditure varied greatly across outcomes.**

(i) Outcomes 3 and 1 saw the highest other resources expenditures against projected resources for the 2014-2016 period. Outcome 4 (gender) had the least expenditure in other resources, recording only 11 per cent of the planning target. Outcome 6 (early recovery) and outcome 7 (thought leadership) met only 27 per cent of their target.

(ii) Outcomes 5 and 7 recorded high regular resources expenditures at the three-year mark, with 112 per cent and 81 per cent, respectively, of projected resources. Outcome 6 recorded the lowest regular resources expenditure, at only 31 per cent.

(iii) In 2016, UNDP spent close to $292,000,000 from programming budgets on joint programmes. The largest expenditures were in Somalia ($62,180,972) and Sudan ($57,000,000).

(d) **At the three-year implementation mark, UNDP is generally on track towards reaching 2017 targets.**

(i) For 32 of the 38 outputs, results achieved by 2016 represented 75 per cent or more of total results expected by 2017. However, progress was below 75 per cent of 2017 targets for five outputs: core government functions (74 per cent), women's economic empowerment (70 per cent), natural resource management (67 per cent), sexual and gender-based violence (63 per cent) and social protection (62 per cent).

(ii) One output (4.3, gender evidence) had achieved only 41 per cent of its 2017 target in 2016. This was because the majority of contributing countries expect to realize improvements in sex-disaggregated data only in the final year of the strategic plan.

A. Development performance by outcome

7. UNDP annually presents report cards for each outcome of its strategic plan to allow Member States to better understand UNDP development performance (see annex 1).

8. Each report card provides information on: output performance, measured against annual milestones for the period 2014-2016; the number of countries that were supported under each output; the percentage of countries with planned results for each output that met or exceeded 2016 milestones; a comparison of gender indicator performance versus overall performance; and the associated gender equality expenditure (as measured by the UNDP gender marker). Each report card is complemented by qualitative results provided through the results-oriented annual report exercise. Examples offer a snapshot, rather than a complete listing, of the work UNDP supported in 2016.

Outcome 1. Inclusive and sustainable growth and development

Output		Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
		2014	2015	2016			
1.1	Structural transformation of productive capacities	111%	112%	113%	126	78%	Lower (105%)
1.2	Social protection	163%	111%	98%	62	86%	Lower (90%)
1.3	Sustainable management of natural resources	91%	86%	89%	113	75%	Lower (66%)
1.4	Climate change adaptation and mitigation	109%	104%	98%	116	88%	n/a
1.5	Inclusive energy efficiency and access	114%	92%	112%	81	65%	Higher (113%)
Expenditure with gender equality as a 'significant' or 'principal' objective: 45%							

9. Performance was generally strong under outcome 1. While three outputs (out of 5) scored amber, two (1.2 and 1.4) missed their milestones by a minimal 2 per cent. Output 1.3 showed an 11 per cent gap.

Examples

10. **UNDP support for employment and livelihoods in 126 countries led to improved policies, systems and institutional measures in 70 countries, created 1.79 million new jobs, and enabled more than 12 million people to benefit from strengthened livelihood opportunities.**

(a) In **Argentina**, UNDP supported the government employment programme for vulnerable youth. Approximately 88,950 young women and men participated in labour training programmes. Support to a network of public job centres allowed 116 offices across the country to offer orientation and labour intermediation services.

(b) In **Egypt**, UNDP supported skills development and access to job opportunities in 42 villages in Upper Egypt, training 2,250 young people and creating 533 new jobs in manufacturing, sustainable agriculture and basic services. Seventy per cent of beneficiaries were women. In the **Syrian Arab Republic,** UNDP support helped revive businesses, create new jobs, distribute productive assets and

provide vocational training in nine governorates. As a result, 102 micro-to-small business owners were able to restart their businesses, providing 9,485 monthly job opportunities.

(c) In **Serbia**, UNDP conducted a feasibility study on the potential of using social impact bonds to address high youth unemployment. In the **former Yugoslav Republic of Macedonia**, UNDP advised the Government on targeted labor market measures to integrate the most vulnerable and those with difficulties accessing the labour market, including people with disabilities and former prisoners.

11. **Through UNDP support for social protection in 62 countries, 17 strengthened the financial sustainability of their social protection systems, and 18 introduced policy and institutional measures to increase access and coverage.**

(a) In the **United Republic of Tanzania**, UNDP supported the inclusion of social protection provisions in its Five-Year Development Plan II, which will increase financing for social protection programmes from approximately $80 million in 2016-2017 to $306 million in 2019-2020, allowing more than 1.1 million extremely poor and vulnerable households to benefit from scaled-up social protection.

(b) UNDP partnered with the Office of the Vice President in the **Dominican Republic** to improve targeting and coverage of the Progresando con Solidaridad conditional cash-transfer programme that provides poor household with cash incentives if they invest in better health, education or nutrition. As a result, 40,088 new households were able to benefit from the programme in 2016. Together with the International Labour Organization (ILO) and UN-Women, UNDP also supported a gender review of all social protection programmes that led to agreement on a costed action plan to address gaps. The methodology is now being replicated in **El Salvador**.

(c) In **Viet Nam**, UNDP – in collaboration with other United Nations partners – assisted the Government in developing a master plan for social assistance reform. UNDP-supported analysis helped identify critical areas for reform, such as the lack of protection for lower-middle-income groups, inadequate coverage and benefits, fragmentation, and service provision problems.

12. **Through its strong partnership with environmental vertical funds, UNDP helped countries access $3.13 billion for sustainable development priorities.** In 2016, 810 vertical fund projects were under way in 143 countries, representing a grant investment of $3.13 billion. The grants leveraged another $14.12 billion in cofinancing; thus $17.25 billion was invested in the environment and sustainable development priorities of these countries.

(a) Through Global Environment Facility (GEF)-financed projects in 2016, more than 1.4 billion people are benefiting from integrated water resource management measures across 12 large marine ecosystems and 13 transboundary waterbodies; 26.8 million people have improved access to climate information; 224 million people are benefiting from improved ecosystem services; nearly 6 million people are benefiting from sustainable energy solutions; and 74 per cent of these projects are mainstreaming gender and advancing gender equality.

(b) In 2016, UNDP helped 11 countries – **Armenia, Ecuador, Malawi, Maldives, Mauritius, Pakistan, Samoa, Sri Lanka, Tuvalu, Uganda and Viet Nam** – access $348 million in Green Climate Fund financing. The projects are expected to increase resilience to climate change among 4.54 million direct and 65.7 million indirect beneficiaries, while averting 22.5 million tons of carbon dioxide-equivalent emissions.

(c) Eighty per cent of UNDP projects that completed a terminal evaluation in 2016 had outcome ratings in the 'satisfactory' range, higher than the average of 75 per cent across all GEF organizations.

Outcome 2. Stronger democratic governance to meet citizens' expectations

Output		Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
		2014	2015	2016			
2.1	Parliaments, constitution-making bodies and electoral institutions	120%	104%	95%	90	72%	Higher (97%)
2.2	Anti-corruption	103%	97%	103%	60	85%	n/a
2.3	Human rights institutions	109%	106%	98%	63	89%	n/a
2.4	Civil society engagement	100%	95%	90%	72	85%	Lower (85%)
2.5	Natural resources and biodiversity/ecosystems	169%	104%	100%	76	85%	n/a
2.6	Discrimination and emerging issues	150%	122%	86%	21	72%	Same
Expenditure with gender equality as a 'significant' or 'principal' objective: 37%							

13. The performance of outcome 2 slipped slightly, with two outputs meeting or exceeding their 2016 milestones (compared to four in 2015) and four falling short of their milestones. It is notable, however, that three of the four outputs falling short in 2016 over-performed in 2015.

Examples

14. **UNDP electoral support in 90 countries strengthened the capacities of 50 parliaments, 34 constitution making bodies and 41 electoral management bodies.** UNDP support led to the registration of almost 75 million additional voters and the participation of 288,958 additional women candidates in national elections.

(a) The Election Commission of **Nepal**, with UNDP support, registered more than 531,000 citizens through a biometric voter system, significantly exceeding its 2016 target of 300,000 registrations. In **Pakistan**, more than 400 election officials participated in training courses on electoral legal frameworks, a computerized results management system, and voter education for women, youth and minorities in sensitive areas. Over 9,000 polling stations were digitally mapped, adding transparency to electoral administration and bolstering public confidence in the electoral process.

(b) In the **Republic of Moldova**, a UNDP partnership with UN-Women and the women's caucus in the parliament led to the adoption of a 40 per cent gender quota for cabinet and political party lists. In **Armenia**, UNDP worked with more than 3,000 women to build leadership skills. Compared to the 2012 local elections, the number of women candidates increased by 28 per cent in 2016, and the number of elected women by 18 per cent.

(c) In **Chile**, UNDP supported citizen consultations as part of the country's process to draw up a new constitution. The consultations engaged more than 126,000 people through regional and local meetings, and received more than 90,000 online responses. UNDP was asked by the government to systematize the findings. Together with the United Nations Children's Fund (UNICEF), ILO and the United Nations Office of the High Commissioner for Human Rights, UNDP was part of the Commission overseeing the participation of indigenous people in the constitutional process. The results of both of these inputs will help elaborate the so-called "Bases Ciudadanas" for the drafting of the new constitution.

15. **UNDP supported anti-corruption initiatives in 60 countries, resulting in the adoption of 93 new proposals to mitigate sector-specific corruption risks.**

(a) In **Ukraine**, UNDP supported the establishment of the National Agency for Corruption Prevention, assisting the agency with the launch of an asset e-declaration system that enabled over 130,000 officials to publish their assets. An online whistleblowing platform was set up in **Kosovo**[1] with UNDP support, receiving over 5,000 cases of corruption, fraud and other abuse.

(b) In the **Arab States**, UNDP brought together 800 stakeholders from 18 countries to discuss ways to strengthen institutional and sector accountability. A regional ministerial declaration renewed political commitment and outlined areas for joint action.

(c) In **Lesotho**, UNDP supported the Directorate for Corruption and Economic Offenses in implementing a national anti-corruption strategy, resulting in the establishment of anti-corruption committees in 12 of the 26 government ministries in 2016.

16. **UNDP supported civic engagement in 72 countries, strengthening the capacities of women's groups in 42 countries, youth groups in 46, and groups dealing with other exclusion-related issues in 41.**

(a) In **Zimbabwe**, UNDP helped the Government expand space for citizen participation in policy formulation. With UNDP support, 75 public hearings on five critical bills were held in 2016, allowing 4,100 citizens to contribute their perspectives.

(b) In **Maldives**, UNDP supported a social innovation camp, with over 100 young innovators nationwide, to develop 'out-of-the-box' solutions for better civic participation. In the **Solomon Islands**, UNDP partnered with the Ministry of Women, Youth, Children, and Family Affairs to advocate for the participation of youth in activities to promote peacebuilding and conflict prevention.

(c) In **Jamaica**, in partnership with the Ministry of Local Government, UNDP facilitated the establishment of parish safety and security committees in 12 local authorities to ensure civil society participation in decision-making.

17. **UNDP support enabled 23 countries to adopt legal reform proposals to fight discrimination. Interventions addressed discrimination based on gender, race, ethnicity, HIV-status, and disability.**

(a) In **Egypt**, together with UNFPA, UNICEF, and UN-Women, UNDP support facilitated the adoption of an amendment to the law against female genital mutilation, reclassifying the practice as a felony and penalizing all partners in the crime.

(b) In **Armenia**, UNDP supported the drafting of a new framework to protect people living with disabilities.

(c) In **Pakistan**, a resolution against the rising trend of violence against women was passed unanimously by the Khyber Pakhtunkhwa Assembly, requiring the provincial government to take steps against the perpetrators of 'honour killings' in the province.

[1] All references to Kosovo shall be understood to be in the context of Security Council resolution 1244 (1999).

Outcome 3. Institutions enabled to deliver universal access to basic services

Output		Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
		2014	2015	2016			
3.1	National ownership of recovery and development processes	150%	103%	102%	60	70%	0.8
3.2	Subnational capacity for basic services delivery	105%	98%	96%	80	98%	0.8
3.3	HIV and related services	108%	101%	96%	63	63%	Higher (104%)
3.4	Rule of law/access to justice	208%	156%	133%	52	60%	Lower (107%)
3.5	Citizen security	133%	126%	101%	33	90%	Higher (106%)
Expenditure with gender equality as a 'significant' or 'principal' objective: 27%							

18. Progress under outcome 3 was solid, although the number of amber ratings increased from one to two. outputs 3.2 and 3.3 missed their milestones by 4 per cent.

Examples

19. **UNDP supported initiatives to strengthen core government functions in 30 countries, enabling 19 countries to achieve their targets for restored or strengthened functions**. Support for subnational capacity strengthening across 80 countries has so far enabled 51 countries to improve capacities of subnational institutions to deliver basic services.

(a) In **Azerbaijan**, UNDP supported the establishment of a training centre in the Public Administration Academy, where 300 civil servants were trained in strategic management, leadership skills, and monitoring and evaluation. Collaboration on open data and a public services inventory allowed **Uzbekistan** to improve its ranking on the 2016 United Nations e-government development index by 20 positions.

(b) In **Bangladesh**, UNDP supported the Prime Minister's Office in improving delivery of critical e-services to underserved communities. Serving 4.5 million beneficiaries, approximately six million e-services per month – including information for farmers, access to legal resources, and applications for land records – were delivered to citizens from rural and remote regions. In **Viet Nam**, UNDP supported leadership and management training for more than 700 women civil servants. In **Nepal**, UNDP supported the drafting of a gender equality and social inclusion workplace policy for the civil service, addressing such issues as workplace diversity and sexual harassment.

20. **UNDP managed HIV, tuberculosis, malaria and health systems-strengthening grants from the Global Fund in 21 countries, and regional grants covering 30 countries, with expenditures totalling $396 million in 2016.** Half of the grants managed were in fragile or conflict-affected settings.

(a) Programmes have helped two million people access life-saving antiretroviral treatment. A major reduction in the price of HIV medicines procured by UNDP in 2016 brought the cost of the most common antiretroviral treatment combination to an unprecedented $100 per patient per year. Those cost reductions are saving $25 million that can be used to treat additional 250,000 people.

(b) The performance of UNDP grants reached a record high in 2016: 70 per cent of grants were rated 'A1' or 'A2' by the Global Fund, compared with 38 per cent of grants implemented by other partners.

21. **UNDP work in rule of law and access to justice in 52 countries recorded strong results.** Country offices facilitated access of more than 3,240,000 additional people to legal aid services, reaching more than 2,200 people and helping 144 victims access police, legal and medical services.

(a) UNDP provided strategic planning and technical support on legislative frameworks in the judiciary in **Montenegro**, bringing them into line with international standards. In **Tajikistan**, UNDP supported the provision of legal aid to 7,551 people, including 4,978 women and 575 people with disabilities.

(b) UNDP helped improve access to justice in **Sri Lanka** through the operationalization of its first national legal aid policy. As a result, over 480 victims of sexual and gender-based violence received legal support.

22. **UNDP support in 33 countries strengthened capacities for security sector governance and oversight in 27 countries and enabled gender-sensitive security strategies to be put in place at the community level in 20 countries.**

(a) In **Afghanistan**, UNDP provided salary payments to approximately 149,000 national police officers and 5,924 General Directorate for Prisons and Detention Centres officers in all 34 provinces. This has enabled the Ministry of Interior Affairs to maintain a growing police presence on the ground.

(b) In **Liberia**, UNDP helped the Government increase the presence of security personnel in high-risk areas, training, equipping and deploying 492 staff. In the **Central African Republic**, UNDP contributed to the adoption of a 30-per-cent quota for recruitment and training of women in the security forces. In **Burundi**, UNDP worked with UNFPA and United Nations Volunteers to improve community safety and social cohesion among conflict-affected youth.

(c) In **Colombia**, UNDP worked with municipalities to bring women's voices to the preparation of citizen security plans, resulting in the inclusion of measures to prevent violence against women.

Outcome 4. Gender inequality and women's empowerment

Output		Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
		2014	2015	2016			
4.1	Women's economic empowerment	100%	100%	100%	13	92%	Same
4.2	Sexual and gender-based violence	102%	114%	95%	20	90%	Same
4.3	Gender evidence	[redacted]	100%	100%	11	89%	Same
4.4	Women's participation in decision-making	88%	105%	108%	20	75%	Same
Expenditure with gender equality as a significant or principal objective 96%							

23. Outcome 4 recorded strong results in 2016, with three of the four outputs meeting or exceeding expectations. Output 4.2 was the only one to perform slightly below expectations, at 95 per cent. Detailed reporting on results achieved under outcome 4 is provided in the annual report on the implementation of the UNDP gender equality strategy in 2016 (DP/2017/18).

Outcome 5. Disaster prevention and risk management

Output	Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
	2016	2016	2016			
5.1 Mechanisms to assess natural/man-made risks	128%	119%	100%	43	84%	Lower (100%)
5.2 Disaster and climate risk management	117%	100%	95%	60	79%	Same
5.3 Gender-responsive disaster/climate risk management	99%	100%	101%	15	75%	Lower (109%)
5.4 Natural hazard preparedness	119%	110%	101%	45	65%	n/a
5.5 Peaceful management of conflicts	142%	98%	98%	27	74%	n/a
5.6 Capacities-building around selected priorities	100%	100%	101%	24	96%	n/a
Expenditure with gender equality as a significant or principal objective 30%						

28. Performance under outcome 5 was strong, with four of the six outputs exceeding their milestones. Outputs 5.2 and 5.5 remained marginally below expectations, at 95 and 98 per cent, respectively.

Examples

29. **UNDP supported initiatives in 43 countries to strengthening capacities for assessing natural and man-made risks.** This included the development of standardized damage and loss accounting systems with sex- and age-disaggregated data in seven countries; and the inclusion of multi-hazard disaster and climate risk assessments in the design of 481 new plans and programmes, 68 per cent of which were assessed as 'gender-responsive'.

(a) Policy work identified links between conflict and disasters in **Kyrgyzstan**; assessing dam safety in **Kazakhstan**, and publishing disaster-risk reduction and climate change snapshots for all countries in the region. The latter included a media toolkit on gender mainstreaming, developed in cooperation with UN-Women.

(b) In **Angola**, UNDP and the United Nations Office for Disaster Risk Reduction (UNISDR) supported the Government in establishing a national disaster loss database to strengthen evidence-based policy decisions in disaster risk management.

(c) UNDP supported the establishment of a disaster loss and damage database in **Myanmar**.

30. **UNDP supported the development of 1,239 disaster-risk reduction and adaptation plans, frameworks or coordination mechanisms in 58 countries, and supported the establishment of 240 new end-to-end early warning systems in 30 countries.**

(a) In the **Philippines**, UNDP supported the introduction of a climate insurance product which, through quick pay-outs, helped 2,413 affected rice and corn farmers in 2016 to restart their livelihoods. To scale up the product, UNDP supported the drafting of a congressional bill officially recognizing the provision of weather index insurance.

(b) In **Sudan**, UNDP supported the development of 22 weather index products that will allow 60,000 farmers and pastoralists to access climate risk finance in 2017.

(c) In **Nigeria,** UNDP helped finalize a gender-responsive climate change roadmap and disaster-risk reduction policy. In the **United Republic of Tanzania,** UNDP supported the installation of 20 automatic weather stations and equipment for a '24/7'emergency operations centre. In a simulation exercise, 134 volunteers provided feedback towards better information flow during disasters.

(d) In **Georgia,** an early warning system to address flood risks in the Rioni river basin benefited 200,000 people and will be replicated nationwide.

(e) In **Cuba,** early warning systems with community integration and technology components were launched in watershed areas, providing informational, structural and economic assistance to 39,000 people in the event of floods.

27. **Conflict prevention – including addressing the root causes of violent extremism – was an expanding area of work for UNDP at global, regional and country levels.**

(a) In 2016, UNDP supported the drafting of the first-ever regional prevention of violent extremism strategy to increase regional and cross-border cooperation among **Djibouti, Ethiopia, Kenya, Somalia, South Sudan, Sudan,** the **United Republic of Tanzania,** and **Uganda.** UNDP facilitated a regional conference of religious leaders from **West and Central Africa.** Hosted in **Nigeria** by the Sultan of Sokoto, the meeting concluded with adoption of the Abuja Declaration, condemning extremist ideologies and establishing a region-wide network to prevent violent extremism.

(b) In **Kyrgyzstan,** UNDP supported the establishment of a monitoring centre to collect and analyse data on inter-ethnic tensions across the country. In 2016, the centre developed an electronic map and 30 analytical reports and recommendations for local authorities to take preventive measures. An early-response group was set up to provide timely support and expertise to local authorities.

(c) In **South Sudan,** UNDP supported the signing of 10 community-level agreements promoting peaceful coexistence between previously conflicting communities. Over six million citizens acquired information on peaceful coexistence through media campaigns and peace workshops.

Outcome 6. Early recovery and rapid return to sustainable development pathways

Output		Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
		2014	2015	2016			
6.1	Early economic revitalization	139%	103%	127%	27	89%	Higher (172%)
6.2	Capacities for early recovery efforts	100%	109%	99%	27	95%	n/a
6.3	Innovative partnerships in early recovery	85%	103%	139%	8	71%	n/a
6.4	Social cohesion and trust	150%	126%	102%	22	89%	Lower (86%)
Expenditure with gender equality as a 'significant' or 'principal' objective: 56%							

28. Outcome 6 showed strong performance in 2016, with three outputs meeting or exceeding milestone expectations – two by substantial margins – and one missing its milestone by 1 per cent.

Examples

29. **UNDP supported early economic revitalization in 27 countries, resulting in 5.9 million people accessing diversified livelihood opportunities (1.4 million more than projected).**

(a) In the **Syrian Arab Republic,** UNDP assisted with the return of internally displaced persons by restoring basic services and community infrastructure. Eight governorates were covered, with 20,041 emergency jobs created; 267,568 tons of solid waste and debris removed; 142,400 fuel briquettes produced from recycled waste; 145 municipal service equipment/vehicles maintained; and

36 social/productive infrastructure and 403 kilometres of roads repaired. Over 2,466,000 people benefited in 2016. In **Lebanon,** UNDP expanded its support in communities hosting high numbers of Syrian refugees. UNDP worked with 125 additional communities to improve livelihood opportunities and strengthen municipal services; 822,000 people (503,000 Lebanese and 293,000 Syrian refugees) benefited. UNDP implemented over 200 initiatives across more than 20 newly liberated areas in **Iraq,** including more than 90 projects providing clean water and basic health care; 27 projects securing power supply for returnees; 65 education projects allowing thousands of Iraqi students to return to school; and 16 livelihoods and cash-for-work initiatives. This facilitated the return of over 600,000 Iraqis.

(b) In **Ukraine,** UNDP supported the rehabilitation of three bridges, five water supply systems, one post office, and one enterprise, benefiting more than 4 million people on both sides of the contact line. In **Turkey,** UNDP helped Syrians, host communities and municipalities to cope with the impact of displacement. More than 6,600 Syrians received vocational training, training on basic life skills, and Turkish language classes, resulting in more than 200 job placements. UNDP helped strengthen municipal infrastructures to better serve the increased population. Over 113,000 Syrians in camps benefited from improved solid waste management service.

(c) In **Haiti,** UNDP assisted with post-Hurricane Matthew recovery, strengthening the National Centre for Disaster Operations by rapidly deploying technical staff, developing a post-disaster needs assessment and drafting six community plans for immediate recovery. In 19 of the worst-affected municipalities, 335,950 daily jobs were created; 19,200 meters of irrigation canals were cleaned; 3,600 meters of roads were cleared, giving access to 127 kilometres of roads; and 40,800 cubic metres of debris and waste were collected. UNDP also supported post-earthquake recovery in **Ecuador** resulting in the removal of 18,780 cubic metres of debris, benefiting 500 households; the relocation of 1,700 merchants; the recovery of over 500 family businesses, with 2,700 indirect beneficiaries; coverage of 300 farming households by a community rebuilding programme; and the strengthening of 241 small businesses, with over 1,000 direct beneficiaries.

30. **UNDP support for innovative solutions for recovery established 177 innovative partnerships for early recovery in 13 countries, exceeding the eight countries with directly contributing projects.**

(a) In **Yemen**, UNDP partnered with the World Bank to implement a $300 million emergency project supporting two million Yemenis through cash-for-work programmes, as well as improvements to public service delivery and the repair of critical infrastructure across the country.

(b) In **Ecuador**, UNDP launched a technology platform for private donations and engaged goodwill ambassadors to assist with publicity for two post-earthquake fundraising concerts, in Miami and Quito. Engagement with private sector companies mobilized a further $2 million.

(c) UNDP, the United Nations Office for Humanitarian Affairs and Deutsche Post DHL celebrated a decade of partnering in the areas of disaster preparedness and response. To date, the 'Get Airports Ready for Disaster' programme has trained more than 600 people across 30 airports in 15 countries.

(d) With the Office for the Coordination of Humanitarian Affairs and UNISDR, UNDP launched the 'Connecting Business' initiative to help the private sector engage with the United Nations system, governments and civil society in disaster-risk reduction, emergency preparedness, response and recovery.

Outcome 7. Thought leadership

Output		Performance against milestones			Number of countries supported	% countries that met/exceeded 2016 milestones	2016 gender performance vs. overall
		2014	2015	2016			
7.1	Global consensus on MDGs post-2015 agenda	182%	107%	100%	Global	n/a	Same
7.2	Progress on MDGs post-2015 agenda	114%	130%	100%	30	90%	Same
7.3	National development plans	145%	111%	109%	32	84%	n/a
7.4	Global development financing	100%	94%	95%	25	90%	n/a
7.5	South-South and triangular cooperation	113%	107%	99%	21	86%	n/a
7.6	Innovative development solutions	133%	157%	131%	20	86%	n/a
7.7	Knowledge about development solutions	101%	118%	127%	Global	n/a	n/a
7.8	MDGs and other global development goals	[redacted]	123%	99%	Global	88%	n/a
Expenditure with gender equality as a 'significant' or 'principal' objective: 19%							

31. Performance under outcome 7 was strong, despite an increase in the number of amber-rated outputs. Milestones were substantially exceeded for outputs 7.6 and 7.7, while outputs 7.4, 7.5, and 7.8 missed their milestones by a margin of 5 per cent or less.

Examples

32. **Support to the roll-out of Agenda 2030 was a priority in 2016.** With UNDP support, 30 countries established updated and disaggregated data systems to measure progress towards the sustainable development goals.

(a) In **Ghana,** UNDP supported indicator formulation for sustainable development goals localization and the collection of standard administrative data to monitor the goals. UNDP worked with the government of **Benin** to define targets and indicators for achieving the goals, and increased the legitimacy of the national monitoring and evaluation framework.

(b) In **Mongolia,** UNDP supported the national statistical office with an assessment of data availability to monitor the goals. The assessment helped establish national baselines, indicators and targets for the goals. National census and survey questionnaires were reviewed to identify questions that could be added to fill data gaps.

(c) In the **Republic of Moldova,** UNDP supported a mapping of the data ecosystem as part of the country's participation in the global data revolution initiative.

(d) In **Barbados and the OECS countries**, UNDP strengthened national capacities to generate and use statistical indicators and disaggregate data to better identify vulnerable and excluded groups.

33. **UNDP provided technical assistance to 20 countries across all regions in 2016 to help align sustainable development goals targets with national planning instruments.**

(a) Integrated policy and programming missions were undertaken in nine countries in 2016. Early results include: a roadmap for **Liberia** to prepare its next goals-aligned national plan; a draft roadmap for implementing the goals in **Jamaica**, proposing critical accelerators; and technical inputs to guide sustainable development goals implementation in **Kazakhstan**, which informed the parliamentary statement adopted on Agenda 2030. Other countries supported were **Cambodia, Djibouti, Guinea, Kazakhstan, Mauritius, Sudan, and Tajikistan.**

(b) UNDP supported the production of the first 2030 High-Level Political Forum on Sustainable Development reports in **Georgia, Montenegro and Turkey**. In **Turkmenistan**, UNDP supported the establishment of a task group of 20 national agencies, resulting in the integration of country-adapted goals and targets in the presidential socio-economic plan, 2017-2021.

34. **UNDP helped raise public awareness and sensitize government and other stakeholders in 106 countries, and disseminated sustainable development goals messages to the public in 95 countries.**

(a) The UNDP-administered 'SDG Action Campaign' produced over 20 interactive exhibitions, expanded the award-winning 'Virtual Reality for SDGs' initiative with eight new films, and upgraded over 200 civil society networks and organizations from Millennium Development Goals/Post-2015 status to sustainable development goals advocacy partners.

(b) In Europe and Central Asia, citizen outreach models were piloted – 'Mapathon' in **Armenia**, the 'Imagine 2030' game in **Bosnia and Herzegovina**, and 'Bike4SDGs' in **Belarus**.

35. **Through UNDP support in 25 countries, 18 countries so far have adopted more effective mechanisms to access, deliver, monitor and report on the use of official development assistance and other sources of global development financing.**

(a) The Tax Inspectors Without Borders project helped eight pilot countries raise over $260 million in additional tax revenues in 2016. Thirteen projects are under way in **Botswana, Costa Rica, Ethiopia, Georgia, Ghana, Jamaica, Lesotho, Liberia, Malawi, Nigeria, Uganda, Zambia and Zimbabwe**. New programmes will launch in the coming year – including deployments of auditors to **Cameroon, the Democratic Republic of the Congo, Egypt, Uganda** and **Viet Nam** – towards the goal of 100-plus deployments by 2020.

(b) UNDP supported the Government of **Kazakhstan** in drafting its midterm official development assistance strategy and establishing the Kazakhstan Agency for International Development. A joint project, launched in 2016, promoted cooperation between Kazakhstan and Afghanistan. UNDP supported **Romania** in developing new legal and institutional frameworks for official development assistance, leading to the establishment of the Romania International Development Agency.

(c) In **Malawi**, support to the aid management platform helped the country meet its commitments under the International Aid Transparency Initiative. Data generated from the platform played a critical role in informing national budgeting process, enabling key stakeholders to analyse donor financing.

36. **UNDP support led to the establishment of more than 160 new public-private partnership mechanisms promoting innovative development solutions.**

(a) In the **United Republic of Tanzania**, UNDP worked with the Government and Twiga Bancorp Bank to scale up a mobile agriculture platform project, improving farmers' access to markets and the availability of soft loans for agriculture-based enterprises.

(b) In **Maldives**, a partnership between private sector companies and the Government resulted in the testing of unmanned aerial vehicles for improved disaster management.

(c) The **UNDP Gender Equality Seal** certification programme for public and private enterprises allowed more than 400 companies in **10 countries in Latin America** to be certified as meeting gender equality standards.

(d) UNDP and UN Global Pulse organized a **data innovation lab** and incubated six data experiments, with support from private sector partners such as Google, Ernst & Young, Facebook, IBM, Microsoft, and PricewaterhouseCoopers.

37. **UNDP brokered 293 South-South and triangular cooperation partnerships.**

(a) In 2016, in collaboration with the United Nations Office for South-South Cooperation, UNDP launched the 'SSMart for Sustainable Development Goals' platform, a global marketplace that provides access to South-South development solutions. The SSMart platform enables partners to post demands, search for solutions, and collaborate.

(b) In **Asia and the Pacific**, delegates and development experts from 36 countries convened in Bangkok to discuss how to best integrate the goals into national plans and budgets. In **Latin America and the Caribbean**, the annual ministerial forum for development, hosted in 2016 by the Dominican Republic, brought together more than 20 vice-presidents, ministers and deputy ministers to exchange lessons on how effective social policies can help reduce poverty and inequality in a challenging economic climate.

(c) UNDP brokered knowledge exchanges on parliamentary best practices between experts from **Malaysia**, the **Philippines**, and **Viet Nam**, and facilitated the second phase of the **China-Cambodia-UNDP** trilateral cooperation cassava project.

38. **UNDP contributed new development thinking.** In 2016, UNDP launched – among other knowledge products – a global Human Development Report and seven regional or sub-regional human development reports. The Human Development Report Office website received over 4.1 million hits, and 85.6 per cent of users found UNDP knowledge products useful.

B. Lessons learned

39. UNDP has progressed in strengthening its results-based architecture, including a concerted effort to better understand the drivers influencing programme performance. Complementing the scorecard analysis, the results-oriented annual report exercise helps UNDP to identify **general factors across outcomes that appear to impede performance**, and to reflect on lessons learned. Building on these improvements, UNDP will be able to provide more granular analysis of output-specific performance factors in the future. The challenge, however, will be to find smart ways of breaking down the current scorecard aggregations to be able to isolate performance drivers, negative or positive, that affect theories of change within similar contexts. This would allow the organization to take targeted corporate actions in support of better performance, where necessary.

40. The most commonly cited reasons for programme delays in 2016 were related to external circumstances such as funding delays, changes in government priorities or counterparts, natural disasters, or deteriorating security situations. **Integrating better risk management into programme design and implementation is seen by country office managers as a priority for the next planning cycle.** Many country offices emphasized the importance of close relations with government partners at all levels to address bottlenecks in a quick, collaborative manner. While a strong results focus was key to high performance, it was also important to maintain flexibility so as to adapt country programmes to changing circumstances when necessary.

41. Country offices highlighted the positive results of multi-sectoral programming approaches, which varied across country contexts. Several managers stressed the benefits of integrated approaches bringing together different sectoral activities in a single programme around a higher-level objective (such as conflict prevention or peacebuilding). In some instances, integration went beyond cross-sector programming, tying together portfolios of different country offices and United Nations partner organizations (as with the Syrian refugee crisis response). In other cases, country offices reported leveraging synergies across projects, using portfolio management approaches, or identifying key cross-cutting concerns – such as disaster-risk reduction – to draw a programme portfolio together. Beyond the results benefits, integrated programming is producing cost savings for many country offices. **The sustainable development goals provide excellent entry points to expand the use of cross-sectoral, multi-partner programming approaches.** Lessons from the current strategic plan will be helpful to understand which approaches are best suited for different contexts, considering country office capacity and programme size.

42. Another lesson highlighted by many country offices was the importance of programming for the longer term. Interventions aiming to achieve in-depth, transformational results should be designed as part of a process spanning across country programmes. Country offices emphasized that time-bound project interventions were not sufficient. **Programmes and projects should be explicitly designed as building-blocks along a path of transformational change.**

43. Finally, the 2016 scorecard data showed that in a few cases low aggregate performance for outputs was driven by a small number of country offices setting milestones significantly higher than their peers. For example, the majority of the performance gap for output 1.3 is explained by one country office setting an unrealistically high milestone for women's jobs. Excluding this one value would have raised the overall aggregate performance for output 1.3 from 89 per cent to 95 per cent. **For the next planning period, it will be important to further refine the methodology for milestone-setting.** While ambitious target-setting is not bad per se, the assumptions underlying higher (or lower) targets by outlier countries must be clearly understood, and a tighter relationship established between milestone ambitions and resources required and spent.

C. Organizational performance

44. Organizational performance showed progress, with 23 of 46 available indicators meeting or exceeding their milestones (two not available). Twenty indicators achieved at least 80 per cent of their milestone, including seven that missed by less than 5 per cent. Three showed lower-than-anticipated performance. Highlights include:

(a) *Development effectiveness*

(i) New programming quality standards piloted in 2014 were applied to all projects in 2016 and incorporated into programming instruments. Analysis showed that standards were met or exceeded in 63 per cent of projects, reaching 76 per cent for sustainability and 80 per cent for social and environmental standards. In 2017, an external assessment will review the methodology.

(ii) In 2016, approximately half of 33 country programme documents (51.5 per cent) were found to meet quality standards at first appraisal. The integration of appraisal feedback contributed to 100 per cent compliance of country programme documents submitted to the Executive Board.

(iii) A new monitoring policy was launched in 2016 to guide the collection of evidence for use in decision-making.

(iv) The joint assessment of UNDP institutional effectiveness observed improvement in the quality of programmes. Most country offices valued organizational measures clarifying roles and responsibilities. More remains to be done to enhance programme effectiveness and UNDP will continue to strengthen learning and knowledge management and build a stronger results culture.

(v) Executive Board approval of the evaluation policy (2016/17) helped towards strengthening evaluation functions, the use of knowledge for organizational learning, and effective management for results.

(b) *Transparency and accountability*

(i) For the 11th consecutive year, UNDP obtained an unqualified audit on financial statements, exceeding industry benchmarks for satisfactory audits by 27 per cent.

(ii) UNDP retained its top ranking for the second year in the 'Publish What You Fund' aid transparency index by increasing the quality and quantity of its project results, financial data and documents published in 2016.

(c) *External relations and partnerships*

(i) The average percentage of partners perceiving UNDP as an effective contributor in strategic plan outcome areas was 3 per cent higher than in 2014.

(ii) The assessment of multilateral institution effectiveness, 2015-2016, published by the Organization for Economic Cooperation and Development and the Multilateral Organization Performance Assessment Network, concluded that "UNDP largely meets the requirements of an

effective multilateral organization", and found "clear evidence that UNDP is responsive to the needs and priorities of member states".

(iii) From 2015 to 2016, UNDP saw a 37 per cent increase in direct contributions from international financing institutions, from $28.8 million to $39.4 million.

(iv) The Japan Innovation Network contributed ¥10 million to core, the first-ever contribution of a private sector actor to core.

(d) *Staff engagement.* UNDP registered significant improvements in staff empowerment, from 54 to 65 per cent, and staff engagement, from 69 to 79 per cent.

(e) *Institutional efficiency and effectiveness*

(i) Improved planning and budgeting processes were introduced in 2016, expanding the capacity of each bureau, and the organization as a whole, to make deliberate institutional resource allocations for achieving results.

(ii) Fast-track measures were mainstreamed into procurement and human resource policies and procedures.

(iii) Compliance of cost-sharing agreements with the new cost recovery policy reached 89 per cent, 1 per cent short of the 2017 target. Eighty-seven per cent of the organization met financial quality standards, surpassing the 80 per cent target set for 2017.

(iv) UNDP made its services more efficient by using advanced information and technology systems. The roll-out of a global e-recruit/e-hire initiative improved the speed and accountability of the recruitment process. Thirty-two country offices benefited from e-tendering, through which an estimated $450 million was channelled (more than 25 per cent of UNDP procurement volume).

(f) *Staff and premises security.* 94 per cent of country offices met the minimum operating security standards, surpassing the target set for 2017.

(g) *United Nations coordination*

(i) The percentage of partners satisfied with UNDP's leadership of the Resident Coordinator system increased from 62 per cent in 2014 to 74 per cent.

(ii) UNDP worked with UNDG to set in motion the review of the cost-sharing system for resident coordinators and is collaborating with UNDG and the United Nations development system to boost efficiency and effectiveness.

(iii) UNDP provided services to 18 agencies, funds and programmes, as well as 24 United Nations Secretariat entities, on a cost-recovery basis. UNDP managed a service clearance account for inter-organizational payments with a turnover of half a billion dollars a year, along with investment funds of $7.9 billion, of which $2.4 billion comprised funds from other United Nations organizations.

(iv) UNDP supported the implementation of standard operating procedures for 'delivering as one', chaired operational management teams, and guided the provision of common services and business operations. Those actions allowed UNDP to strengthen system-wide coherence and increase efficiency and effectiveness in the United Nations development system through shared common services and cost-saving measures.

III. Financial results[3]

Contributions for 2016

45. In 2016, contributions to regular and other resources were $4.9 billion. Regular resource contributions decreased from $0.704 billion in 2015 to $0.618 billion, and other resources increased from $3.69 billion

[3] Numbers may not be exact due to rounding.

to $4.16 billion. Government cost-sharing resources increased to $0.892 billion, and bilateral/multilateral resources increased from $2.85 billion to $3.27 billion.

2014-2016 cumulative contributions

46. When comparing contributions received between 2014 and 2016 against integrated resources plan estimates (DP/2013/41), total contributions to regular and other resources were $13.8 billion, or 71 per cent of the of $19.4 billion estimate. Regular resources were $2.1 billion, or 58 per cent of the $3.6 billion estimate. Government cost-sharing contributions were $2.6 billion, or 87 per cent of the $3 billion estimate, and bilateral/multilateral resources were $9.1 billion, or 71 per cent of the $12.8 billion estimate.

Expenditure for 2016

47. Provisional expenditure for development activities[4] was $4.11 billion, of which $0.44 billion was funded from regular resources and $3.67 billion from other donor and local resources. Expenditure for United Nations development coordination was $0.10 billion for management and special-purpose categories ($0.37 billion and $0.09 billion, respectively). The expenditure ratio for management activities to total expenditure was 7.9 per cent, which is below the management efficiency ratio of 8.1 per cent outlined in strategic plan estimates, 2014-2017.

2014-2016 cumulative expenditure

48. Total provisional expenditure for development activities was $13 billion, of which $1.49 billion was funded from regular resources and $11.5 billion from other resources. The expenditure for United Nations coordination, management and special-purpose categories was $0.30 billion, $1.18 billion and $0.25 billion, respectively. The expenditure ratio for management activities over total expenditure was 8 per cent, which is below the management efficiency ratio of 8.1 per cent outlined in strategic plan estimates, 2014-2017.

49. Between 2014 and 2016, total programme expenditure declined by 8 per cent, with the largest drop in the core resources category (-18 per cent). The overall programme expenditure of 69 per cent for 2014-2016 (set against the four-year resource plan) was not far off the 75 per cent delivery rate expected for three years of implementation. Other resources for outcome 1, regular resources for outcome 2, other resources for outcome 3, regular and other resources for outcome 5, and other resources for outcome 7, reached or exceeded three-quarters of the resources plan.

Table 1. Expenditure by cost classification category (in billions of dollars)

Cost classification category	Strategic plan estimates 2014-2017	Expenditure 2014-2015	Expenditure 2016	Expenditure 2014-2016
Development activities	$20.11	$8.88	$4.11	$13.00
United Nations development coordination activities	$0.37	$0.20	$0.10	$0.30
Management activities	$1.84	$0.82	$0.37	$1.18
Special purpose activities	$0.32	$0.16	$0.09	$0.25
Total	**$22.64**	**$10.06**	**$4.67**	**$14.73**

Table 2. Management expenditure ratio

Cost classification category	Strategic plan estimates	Expenditure 2014-	Expenditure	Expenditure

[4] Preliminary information for 2016 is from unaudited UNDP financial data.

	2014-2017	2015	2016	2014-2016
Management activities (a)	$1.84	$0.82	$0.37	$1.18
Total activities (b)	$22.64	$10.06	$4.67	$14.73
Management expenditure ratio (c) = (a) / (b)	8.1%	8.1%	7.9%	8.0%